

**SPECIAL COMMITTEE ON RIVERFRONT ACTIVITIES  
AND BASEBALL**

**August 1, 2005**

**5:15 PM**

Chairman Lopez called the meeting to order.

The Clerk called the roll.

Present: Aldermen Lopez, Guinta, DeVries (late), Smith

Absent: Alderman Gatsas

Messrs.: A. Solomon, T. Clark, K. Clougherty, F. Thomas, R. Duval,  
M. Castagna

Chairman Lopez addressed Item 3 of the agenda:

Introduction of Arthur P. Solomon as new majority stakeholder of the New Hampshire Fisher Cats.

Chairman Lopez asked Mayor Baines to introduce Arthur P. Solomon.

Mayor Baines stated it is an honor for me to be before this Committee tonight and I want to thank the Chairman and members of the Committee for helping to oversee this great project for the City of Manchester. Also, we just received some good news that the Sports Business Journal, which did a survey of all of the major markets around minor leagues ranked Manchester's market 32 out of 220 in the country. So that is a really good reaffirmation of our confidence in this project and our confidence in this enterprise of minor league baseball. It is a pleasure for me to introduce Mr. Solomon, the new principal owner of the NH Fisher Cats. As you know, a week or so ago Mr. Solomon was introduced and we have had a chance to spend quite a bit of time with him. In fact last week we spent about two hours touring the entire City and giving him an overview of what is happening in the City including what is happening on the riverfront and around the City with housing and school facilities. I showed him all of the athletic facilities and the school renovation projects so he has a good sense of what is happening in Manchester. This ownership change is very good news for all of us here in the City of Manchester and he will talk a little bit about his commitment to the City and why he thought that this was a good investment for him and his family and his business and also give you his general impressions of this project and what it

means for the future of our City as well. He is committed to this for the long-term. We are not requesting approval of the ownership change and we will be discussing a little bit about that later. There is a process that goes through the Eastern League. They estimate 60-90 days or it may be shorter than that. Once the Eastern League has done their due diligence and are done the approval process then we will actually come in with our staff with a report to the Board of Mayor and Aldermen and this Committee to gain approval for this transfer. Without any further adieu I would like to introduce Art Solomon the new principal owner of the NH Fisher Cats. Mr. Solomon, welcome to City Hall.

Arthur Solomon stated thank you very much. First of all, it is a pleasure to be here this evening. I have met some of the Board members over at Fisher Cats stadium and those who I haven't met I look forward to meeting. I thank you for your past support and I will tell you that the best is yet to come. We are very, very excited, my whole family. We are passionate baseball fans and we did a lot of research on the Greater Manchester area and New Hampshire and clearly we are well aware that Manchester is the major commercial and financial center of northern NH and we want to work hard with you to make it also the major sports mecca. It is already well on its way with the Monarchs and we will clearly add to that. I am very, very committed to the community. I view this frankly as a public/private partnership, which is as it should be. I am a very experienced real estate developer. I have worked in many communities around the country and I understand what a private/public partnership means. It has to go both ways. We are very committed to doing our part. I think that when you think about baseball and you think about minor league baseball it is clearly one of the real growth areas of sports in this country. We are very committed to what minor league baseball stands for, which is basically affordable, friendly family-oriented entertainment. We think that is what it is really all about. I can't talk about the 10 game losing streak except to tell you a story. I took my grandchildren to a game a couple of Sundays ago and my oldest grandchild is a little boy who is 7 years old so he had all of the fun that young people do at Fisher Cat Stadium. He went down the slide at Fungo Land and tossed the ringers there and jumped all around. He was on the concourse and after two hot dogs we had to sit him down for a little while and a Coke he walked the concourse and then as on all Sundays he ran the bases. Afterwards he came up to me and said Grandpa, and of course I am still getting used to the name Grandpa but he said to me Grandpa can I play for the Fisher Cats and I said to him you know Jake one step at a time. In a couple of years you can be the batboy and then you will work your way up. Frankly, after yesterday's game I called him last night and said Jake take extra batting practice in the yard. I think everybody is a bit frustrated. The team is playing very, very hard. The manager is probably as good a manager as there is. This is one of the funks that sports teams get into. We are committed for the long haul here. We would love to bring a championship each and every year. We will certainly try our best but no

guarantees. I am here for the long haul. After me you will see my children as well. I think one of the reporters had asked me when it was first announced that I was going to become the majority owner what did I mean by the long haul and you might have seen it in the paper I said you tell me how long I am going to be alive and I will tell you how long the long haul is. But it is a long-term commitment and we could not be more excited. We look forward to continuing to work with you, not just this year but in the years to come. Thank you for this opportunity.

Chairman Lopez stated thank you very much and we welcome you on behalf of the Committee. Before I ask anybody if they have any general comments I would like to have the City attorney just for the record make some remarks for Section 13.2 Transfer of Management Obligation and then the Finance Officer.

Solicitor Thomas Clark stated the management and operation agreement is pretty clear. The transfer is subject to your approval. It is also subject to the Major League Baseball and/or Eastern League approval. They, as I understand it...I have been away on vacation but I understand that they have spoken to various people and there is going to be a 60-90 day approval process. In the meantime the City will also be doing its due diligence to make sure we concur with their findings. I think we will go along with their findings and the agreement states that if Major League Baseball does approve then the City will have to approve the transfer.

Kevin Clougherty, Finance Officer, stated I agree with what Tom just stated. We will go through a process and try to make it so there are not documents going in all directions here and work with the league. We have already talked to the Eastern League a little bit about coordinating that process. Hopefully it doesn't take 60-90 days because I know that Mr. Solomon and his group would like it done as soon as possible but it is going to take at least, I would think, 30-60 days.

Alderman Guinta asked do you plan on putting together a document as to...whether it is for this Committee or for the full Board to review what you would include in your due diligence process and then a specific list of who is going to take part, whether it is just City employees or whether there is outside council that will be involved.

Solicitor Clark answered as far as the legal work, it is going to be my office doing that. On the assumption that the approvals are all going to go forward we will prepare an assignment that will be a couple of pages long and incorporate all of the terms of the present agreement naming the new ownership group and be presented to this Committee and to the full Board for approval.

Alderman Guinta asked so the only part of due diligence is creating an assignment.

Solicitor Clark answered no that is the legal part of it. I believe the Finance Office will also be looking at the financial information.

Alderman Guinta asked are we going to have a...are you going to expand on what due diligence means for the full Board or for this Committee to review.

Mr. Clougherty asked financially.

Alderman Guinta answered yes.

Mr. Clougherty stated I wasn't planning to. From our standpoint what we do is we will go in and take a look at...we will work with Mr. Solomon obviously and his financials are not going to be disclosed through our office to the general public if that is what you are asking.

Alderman Guinta responded no I am not asking that.

Mr. Clougherty stated we will go through a procedure with him keeping his information in confidence but coming to our own satisfaction that there is sufficient wherewithal. You will recall to, Alderman, that with respect to this the league has a very sophisticated record keeping and tracking system. The league's requirements in terms of due diligence on respective owners is fairly stringent. We are not going to try and cause some complicated procedure where different documents are going to have to go in different directions. If they are provided to the league we will try to work out something where we have a chance to look at that as efficiently as we can for Mr. Solomon and his group so that we are not creating this unnecessary burden on the team to generate a lot of duplication. We will work together with them. We know that the league is going to go through a very precise review of the finances before they get their approval and we will do that at the same time.

Alderman Guinta stated I am just trying to get a feel for how you define due diligence on the legal side or on the finance side so that the Committee and the full Board has an understanding of what due diligence means on the part of the City of Manchester. That's all. I am not looking for disclosures of finances or sales. I am just trying to get a general frame of will the Board have any written guidelines as to what that means for the City of Manchester?

Mr. Clougherty responded under Section 13.2 it says that he have sufficient financial network and adequate funds and financing available and that is what we are going to take a look at.

Chairman Lopez stated I think the other thing and correct me if I am wrong, Tom, but the total agreement is still in place and we are just going through a process here just changing hands and that is about the size of it.

Solicitor Clark responded correct. The operation agreement is still in place and all of its terms apply. The legal work, the assignment and necessary documents that will be developed will be to insure that all of the obligations are still in place.

Chairman Lopez stated right and if there are any discrepancies I am sure staff will bring it to this Committee.

Alderman Smith stated really what we are looking for...the Eastern League and Major League baseball has to approve it. If they approve it, I am sure they are going to do their due diligence. All they are asking and what the final result will be if they okay it is that we approve it. That is it in a nutshell I think. I don't think there are any forms. I think the gentleman has sufficient capital or else he wouldn't have bought the team. I think we will just have to wait to see what the Eastern League and Major League baseball does first and then we will act accordingly.

Chairman Lopez stated we want to thank you very much for coming.

Chairman Lopez addressed Item 4 of the agenda:

Stadium project status reports:

- a) general project status report by Castagna Consulting Group;
- b) stadium budget projected dated July 26, 2005;
- c) stadium budget projection dated July 26, 2005; and
- d) stadium invoices by vendors.

Frank Thomas, Public Works Director, stated in the agenda there is a status report by Mike Castagna who is our representative on the stadium project. As noted in this memo the work in the stadium itself is at least 98% completed now. Some of the remaining punchlist items are being addressed. As of the writing of the memo we still haven't gotten the final response from the Department of Justice on all ADA issues but we expect that to be coming shortly. There was a meeting a couple of weeks ago with Mr. Weber and Parsons-Brinckerhoff. Mr. Weber's representative on the project felt that to review some of the punchlist items outside the stadium trying to put together a timeline on when they are going to be addressed. One of the major topics was finished treatments to the island area in front of the stadium as you are going in. I think the meeting was very productive and that work should be completed in the very near future.

Chairman Lopez stated I have a question about the last part about the portion of the road costs. Mr. Duval you called me and I didn't return your call but I understood your message and I think you ought to share something here because it doesn't add up in reference to what your message was and I want the Committee to be aware of this and the meeting that took place on the not fully paid portion of the road. Could you explain?

Robert Duval responded yes. I had heard a question as to the outstanding amounts from specifically Chinburg Development in regard to paying their share of the road costs to 6 to 4 to 3. Just to set the record straight, there was about \$300,000 requested of Chinburg, which was in excess of the original estimate so we had some questions about the total cost. We paid or Eric Chinburg paid to date about \$240,000 in good faith and we are waiting for some answers on the remaining \$50,000 or so that is still outstanding. We are having a dialogue. I am having ongoing correspondence with Jim Anderson, who is working with Mr. Weber and I expect that we are going to resolve these matters in the next couple of weeks.

Chairman Lopez stated make sure there is good communication so we don't get a misinterpretation out there and wrong information to the public. That is the most important thing that concerns me. Any other questions?

Alderman DeVries asked Frank the comment in reference to the ADA compliance are there any major issues that you expect to be forthcoming.

Mr. Thomas answered no. There have been quite a few meetings between the contractor, the owner and the Department of Justice on these various issues. Some of them we have gotten waivers on. Some of them have been implemented and quite frankly right now we are hoping to get the final write-off from them. If I could ask Mike Castagna to come up he could maybe review the issues that are outstanding.

Mike Castagna stated there are approximately three issues that are left to be negotiated or acted upon. One is the necessity for another wheelchair lift in the visitor's dugout to allow handicapped accessibility from that area to the dugout and to the field. There are issues in the home coach's office, the umpire's room and the visitor's manager's office to allow for handicapped accessible lockers. The requirement really has come down to adding a folding bench to comply with the ordinance. The other issue is the ramp that goes on the eastern side of the concourse down to the roadway. The slope of the ramp does not meet ADA guidelines, however, if we classify that area as an area of safe refuge and help is required in the case of an emergency that really does meet the intent of the

ordinance and the law as far as the ADA goes and we are just waiting for clarification from their lawyer in Washington. So those are the outstanding issues.

Alderman DeVries asked the unencumbered balance, I believe there is \$6.3...

Mr. Thomas interjected that is the budget projection that we have been carrying to make sure the contracts that are being entered into for engineering and construction do not exceed the \$27.5 million appropriated by the City and the other monies that total \$29,938,000. That is a moving balance. If work stopped tomorrow and engineering fees stopped tomorrow then we would have a greater balance than that. If work continues we may be requiring additional monies to be put in escrow but as we stand today that is a sufficient amount keeping in mind that Mr. Weber has already executed two change orders totaling \$1.205 million. He has agreed to an additional change order, which will balance out the project. We have not received that but when we do we will review it and make sure that we get the proper amounts.

There being no further business, on motion of Alderman DeVries, duly seconded by Alderman Smith it was voted to adjourn.

A True Record. Attest.

Clerk of Committee